

UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency

P.O. Box 2415

Washington, DC 20013-2415

Notice FC-43

For: State and County Offices

Additional Farm Bill Provisions Which Affect Loan Making

Approved by: Deputy Administrator, Farm Credit Programs

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1 Overview

A

Background

Notice FC-36 implemented several changes affecting loan applicants for direct and guaranteed loans.

Legislation recently signed into law has stayed the effect of some provisions of the 1996 Farm Bill to provide some relief for certain operating loans and emergency loan applicants who have been adversely affected by the provisions of the Farm Bill, as originally passed.

B

Purpose

This notice provides instructions to notify affected loan applicants and to resume processing their applications.

2 Loan Applicants Affected by this Notice

A

Criteria

Loan applicants meeting the following criteria are affected by this notice. If they do not meet these criteria, Notice FC-36 applies.

- The application must have been for a direct or guaranteed operating loan or emergency loan. Farm ownership loan applications are not affected by this notice.

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Disposal Date

May 1, 1997

Distribution

State Offices; State Offices relay to County Offices

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2 Loan Applicants Affected by this Notice (Continued)

A Criteria (Continued)

- The application must have been filed on or before April 4, 1996. A complete application is not necessary.
 - If the application is for a direct loan, it must have been filed with FSA on or before April 4, 1996.
 - If the application is for a guaranteed loan, the loan applicant must have applied to the lender on or before April 4, 1996. The lender need not have submitted a guarantee request to FSA by April 4, 1996, but must indicate that the loan application was received by that date.
 - If the applicant is an FSA borrower, the applicant must not have been delinquent for more than 90 days (120 days past due) as of April 4, 1996.
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B Changes Affecting Eligibility for Loans

Applicants meeting the criteria in subparagraph A will have their application for direct or guaranteed operating loans or emergency loans processed under statute and regulations as they existed on April 4, 1996, without regard to the limitations implemented by Notice FC-36.

C Notification to Applicants Who Were Rejected

Applicants meeting the criteria in subparagraph A, who were rejected for operating loans or emergency loans because of changes implemented by Notice FC-36, shall have their applications reinstated and processed.

Applicants and lenders shall be immediately notified of this reinstatement.
